

TIPPECANOE COUNTY TREASURER NEWSLETTER



February 22, 2008

Property Tax Increases

I thought it might be interesting to compare property tax increases over the past few years to determine why property taxes are on the increase. Prior to being County Treasurer, I served eight years as Tippecanoe county Auditor. Below are comparisons between the 2007 levies and my first year as Auditor in 1999.

<u>Levy</u>	<u>1999</u>	<u>2007</u>	<u>Change</u>
State Fair	\$53,088.19	\$59,553.31	12.18%
State Forestry	\$98,592.38	\$119,106.55	20.81%
Total State Levies	\$151,680.57	\$178,659.86	17.79%
County General Fund	\$10,326,413.87	\$17,523,555.01	69.70%
Reassessment	\$75,840.29	\$282,878.10	272.99%
Cumulative Capital Development	\$1,283,217.70	\$1,518,608.82	18.34%
Jail Lease	\$438,356.65	\$1,280,395.70	192.09%
Cumulative Bridge	\$2,730,250.44	\$2,605,456.36	-4.57%
County Solid Waste District	\$0.00	\$193,548.22	N/A
Total County Levies	\$14,854,079.15	\$23,404,442.21	57.56%
County Welfare	\$532,398.84	\$0.00	-100.00%
Welfare Administration	\$415,604.78	\$0.00	-100.00%
Hospital Care for the Indigent	\$248,756.16	\$349,875.60	40.65%
Medical Assistance to Wards	\$307,911.56	\$424,317.17	37.80%
Children with Special Needs	\$80,390.72	\$96,774.10	20.38%
Family & Children	\$6,405,470.86	\$8,612,894.26	34.46%
Children's Residential Treatment	\$0.00	\$305,210.62	N/A
Welfare Loan	\$3,107,935.06	\$0.00	-100.00%
Total Welfare Levies	\$10,566,069.14	\$9,789,071.75	-7.35%
Township General Fund	\$134,867.39	\$308,199.30	128.52%
Township Poor Relief	\$186,604.16	\$195,400.99	4.71%
Township Fire	\$643,708.64	\$814,300.16	26.50%
Township Fire Building Debt	\$0.00	\$255,650.16	N/A
Township Fire Equipment Debt	\$84,290.55	\$35,663.23	-57.69%
Township Cumulative Fire	\$379,249.08	\$456,543.23	20.38%
Township Recreation	\$71,809.51	\$73,461.50	2.30%
Total Township Levies	\$1,500,529.33	\$2,139,218.57	42.56%

<u>Levy</u>	<u>1999</u>	<u>2007</u>	<u>Change</u>
School General Fund	\$44,726,008.69	\$57,004,797.91	27.45%
School Referendum	\$0.00	\$1,928,861.50	N/A
School Debt Service	\$12,819,077.63	\$18,343,544.37	43.10%
School Capitals Projects	\$15,999,102.29	\$20,539,815.81	28.38%
School Transportation	\$6,183,695.33	\$8,000,797.91	29.39%
School Playground (WL City)	\$0.00	\$43,987.70	N/A
School Pension Debt	\$0.00	\$143,550.76	N/A
Pre-School Special Education	\$151,680.59	\$169,571.11	11.79%
School Bus Replacement	\$0.00	\$1,957,920.12	N/A
Total School Levies	\$79,879,564.53	\$108,132,847.19	35.37%
Library General Fund	\$2,386,630.76	\$3,473,133.03	45.52%
Library Debt Service	\$372,882.18	\$2,061,045.63	452.73%
Total Library Levies	\$2,759,512.94	\$5,534,178.66	100.55%
Mass Transit General	\$381,407.93	\$781,531.52	104.91%
Transportation Cumulative	\$462,873.70	\$1,113,260.74	140.51%
Total City Bus Levies	\$844,281.63	\$1,894,792.26	124.43%
City & Town General Fund	\$15,897,316.75	\$25,369,984.63	59.59%
City & Town Local Streets	\$1,910,669.09	\$1,515,300.12	-20.69%
City Police Pension	\$420,088.27	\$795,905.76	89.46%
City Fire Pension	\$227,056.52	\$694,845.41	206.02%
Fire Equipment Debt (WL City)	\$0.00	\$80,465.30	N/A
City Parks & Recreation	\$2,863,958.71	\$3,594,678.61	25.51%
City Redevelopment (Laf City)	\$174,211.80	\$0.00	-100.00%
City Band (Laf City)	\$17,953.13	\$22,079.54	22.98%
Cumulative Capital Development	\$1,094,211.31	\$1,014,437.45	-7.29%
Cumulative Fire Special (WL City)	\$25,737.57	\$26,821.76	4.21%
Park Bond (Laf City)	\$398,958.32	\$1,523,266.46	281.81%
Total City and Town Levies	\$23,030,161.47	\$34,637,785.04	50.40%
Tax Increment Financing (TIF)	\$6,146,831.30	\$17,230,775.44	180.32%
TIF Replacement (Laf City)	\$0.00	\$1,253,957.34	N/A
Total TIF District Levies	\$6,146,831.30	\$18,484,732.78	200.72%
Total Tippecanoe County Levies	\$139,732,710.06	\$204,195,728.32	46.13%

Obviously some unit's levies have increased greater than others on a percentage basis. Things like a jail expansion were completed during that time. The jail was expanded with larger debt payments being added to property tax. Also, Superior Court 6 was created and state law allows property taxes to increase to fund a new court. Also completed was the new West Lafayette Library which significantly affected taxes in that area of the county.

Tippecanoe County tax authorities (Lafayette City, West Lafayette City, Town of Shadeland and the County) have used TIF districts and property taxes are their sole source of revenue. These funds are used to enhance the district and promote economic development, but the captured assessment is not included when property tax rates are established. With the possibility of circuit breakers decreasing revenue to the local entities, a new look at the need of each TIF District is necessary.

The public needs to keep informed to all the units of local government to make sure all property tax dollars is spent in wise and necessary ways. It sure looks like the General Assembly will act on proposals to make this job a little easier in the future.